

Central Intelligence Agency



Washington, D. C. 20505

11 April 1983

MEMORANDUM FOR: Roseanne Bartholomew  
Division of Intelligence  
Office of International Security Affairs  
Department of Energy

FROM: [redacted]  
Chief, International Issues Division  
Office of Global Issues

SUBJECT: New Developments in Brazil's Nuclear Research  
Program [redacted]

1. Per your request, the attached memorandum discusses the recent policy decisions by the Brazilian Government affecting nuclear research, including approval for construction of Brazil's first nuclear research reactor outside of international safeguards controls. [redacted]

2. This memorandum was prepared by [redacted]  
International Security Issues Division, Office of Global  
Issues. [redacted]

3. Comments and queries are welcome and may be addressed to the Chief, Weapons Proliferation Branch, OGI, [redacted]

Attachment:

New Developments in Brazil's Nuclear Research  
Program [redacted]

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## DIRECTORATE OF INTELLIGENCE

11 April 1983

## New Developments in Brazil's Nuclear Research Program

Summary

A reordering of Brazil's nuclear research priorities appears to be in progress following the recent consolidation of nuclear activities under the control of the National Security Council. Budget allocations for 1983 indicate that increase in priority is being given to a hitherto small unsafeguarded nuclear research program at the same time that the budget for the ambitious and costly civil nuclear power program has been cut almost in half. Under the research program, construction of an unsafeguarded heavy water research reactor reportedly has been approved. The research reactor employs a design that is estimated to produce enough spent fuel to reprocess three to four kilograms of plutonium annually. This move is the first indication that the Brazilian Government may try to build sensitive pilot scale nuclear fuel cycle facilities outside of international safeguards controls. We believe Argentina's efforts to complete an unsafeguarded nuclear fuel cycle may be a motivating factor in the strengthened Brazilian nuclear research program.

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This memorandum was prepared by [ ] International Security Issues Division, Office of Global Issues. This analysis is based on information as of 20 March 1983. Comments and queries are welcome and may be addressed to Chief, Weapons Proliferation Branch, OGI, [ ]

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# New Research Directions

Two recent policy decisions, a shift in funding priorities and approval for construction of a new nuclear research facility, appear to be placing Brazil on the road to acquiring unsafeguarded plutonium.

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New Budget Priorities. Recent sweeping economic austerity measures taken by Brazil to meet its acute balance of payments obligations and to conform to International Monetary Fund guidelines resulted in sizeable budget cutbacks in the civil nuclear power program. The operating budget in 1983 for civilian nuclear energy decreased substantially, according to government press announcements. Construction work on two West German supplied power reactors has been delayed, and expansion plans under the large 1975 West German-Brazilian power program have been indefinitely postponed. At the same time, however, funding for nuclear fuel cycle research was doubled for 1983, according to press reports. Because this funding represents a much smaller share of the total budget than the civil power program, the nuclear referent of the Brazilian Intelligence Service told a US Embassy official that fuel cycle research is unlikely to be affected by future budget cutbacks. (S)

Approval for Unsafeguarded Reactor. Beyond the 1983 budget announcement, the Brazilian Foreign Ministry's spokesman publicly affirmed Brazil's right to develop an indigenous nuclear program for peaceful purposes, and the Minister of Mines and Energy stated that Brazil plans to produce plutonium "but not for military purposes". Following these announcements, the Brazilian Government approved budgetary plans to construct a new unsafeguarded nuclear research reactor.

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